



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

APR 27 2005

Gerald Jaecks
2551 W Pensacola Ave
Chicago, IL 60618

RE: MUR 5405

Dear Mr. Jaecks:

This is in reference to the complaint you filed with the Federal Election Commission (the "Commission") on January 27, 2004. On February 3, 2005, based upon the information provided in your complaint, and information provided by the respondents, the Commission found that there was reason to believe APEX Healthcare, Inc. ("APEX") and James Chao violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended, by using corporate funds to reimburse contributions made in the name of others. In the case of Mr. Chao, the Commission found reason to believe that these violations were knowing and willful. On the same date, the Commission authorized this Office to enter into pre-probable cause conciliation with these respondents. On April 19, 2005, the Commission approved a conciliation agreement resolving the violations committed by APEX and Mr. Chao.

In addition, on February 3, 2005, the Commission found reason to believe that the conduit contributors violated 2 U.S.C. § 441f by knowingly permitting their names to be used to effect contributions in the name of another. The Commission admonished these respondents but took no further action.

Further, on February 3, 2005, the Commission found no reason to believe that Daniel Hynes, Hynes for Senate and Jeffrey Wagner, in his official capacity as treasurer, violated 2 U.S.C. § 441f and took no action with respect to any violation of 2 U.S.C. § 441b(a). The Commission also took no action as to three other recipient committees, People for Marty Castro, and Amalia S. Rioja, in her official capacity as treasurer; Citizens for Mark Shriver, and Kristin Gerlach, in her official capacity as treasurer; and Bill Nelson for Senate, and Peggy Gagnon, in her official capacity as treasurer. Nevertheless, these recipient committees have been notified that they received contributions in violation of 2 U.S.C. §§ 441b and 441f and must disgorge the funds to the U.S. Treasury.

Finally, on February 3, 2005, the Commission found reason to believe that Hynes for Senate and Jeffrey Wagner, in his official capacity as treasurer, violated 2 U.S.C. § 434(b) by

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failing to disclose a \$1,500 in-kind contribution in its disclosure reports. The Commission admonished these respondents but took no further action with respect to this violation.

This is to advise you that the entire file in this matter has been closed and this matter is now public. Documents related to the case will be placed on the public record within 30 days. *See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files*, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Copies of the dispositive General Counsel's Report and the conciliation agreement with APEX and Chao are enclosed for your information.

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of an administrative complaint. *See* 2 U.S.C. § 437g(a)(8).

If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Adam J. Schwartz
Attorney

Enclosures
Conciliation Agreement
First General Counsel's Report

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